

A RESOLUTION FINDING, DETERMINING AND RATIFYING AN INDUCEMENT RESOLUTION OF THE FORT WAYNE ECONOMIC DEVELOPMENT COMMISSION AUTHORIZING THE ISSUANCE AND SALE OF \$3,200,000.00 IN ECONOMIC DEVELOPMENT REVENUE BONDS OF THE CITY OF FORT WAYNE, INDIANA, FOR THE PURPOSE OF INDUCING THE APPLICANT, XOLOX CORPORATION TO PROCEED WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT.

WHEREAS, the City of Fort Wayne, Indiana, (the "Issuer") is authorized by I.C. 36-7-12 (the "Act") to issued revenue bonds for the financing of economic development facilities, the funds from said financing to be used for the acquisition, construction and equipping of said facilities, and said facilities to be either sold or leased to another person or directly owned by another person; and

WHEREAS, Xolox Corporation (the "Applicant") has advised the Fort Wayne Economic Development Commission and the Issuer that it proposes that the Issuer loan proceeds of an economic development financing to the Applicant for the acquisition, construction and equipping of an economic development facility, said economic development facility to be acquisition of manufacturing equipment and modular clean room facility for use in the manufacture of components for the computer disc drive market, and including cost of issuance, said equipment and clean room facility to be located at 1415 Dividend Road, Fort Wayne, Indiana (the "Project"); and

WHEREAS, the diversification of industry and an increase in 54 jobs to be achieved by the acquisition, construction and equipping of the Project will be of public benefit to the health, safety and general welfare of the Issuer and its citizens; and

WHEREAS, having received the advice of the Fort Wayne Economic Development Commission, it would appear that the

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1 financing of the Project would be of public benefit to the
2 health, safety and general welfare of the Issuer and its
3 citizens; and

4 WHEREAS, the acquisition and construction of the
5 facility will not have an adverse effect on any similar
6 facility already constructed or operating in or about Fort
7 Wayne, Indiana.

8 NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF
9 THE CITY OF FORT WAYNE, INDIANA:

10 SECTION 1. The Common Council finds, determines,
11 ratifies and confirms the promotion of diversification of
12 economic development and job opportunities in and near Fort
13 Wayne, Indiana, and in Allen County, is desirable to preserve
14 the health, safety and general welfare of the citizens of the
15 Issuer; and that it is in the public interest that the Fort
16 Wayne Economic Development Commission and said Issuer take
17 such action as they lawfully may to encourage diversification
18 of industry and promotion of job opportunities in and near
19 said Issuer.

20 SECTION 2. The Economic Development Commission in
21 recommending the Project, found specifically that the project
22 will not have an adverse competitive effect on similar
23 facilities already constructed or operating in Allen County,
24 Indiana, and the Common Council has also held a hearing and
25 specifically finds that the Project will not have an adverse
26 competitive effect on similar facilities already constructed
27 or operating in Allen County, Indiana.

28 SECTION 3. The Common Council further finds,
29 determines, ratifies and confirms that the issuance and sale
30 of revenue bonds in an amount not to exceed \$3,200,000.00 of
31 the Issuer under the Act and the loan of the proceeds thereof
32 to the Applicant for the acquisition, construction and
equipping of the Project will serve the public purpose
referred to above, in accordance with the Act.

SECTION 4. In order to induce the Applicant to proceed with the acquisition, construction and equipping of the Project, the Common Council hereby finds, determines, ratifies and confirms that (i) it will take or cause to be taken such actions pursuant to the Act as may be required to implement the aforesaid financing, or as it may deem appropriate in pursuance thereof, provided that all of the foregoing shall be mutually acceptable to the Issuer and the Applicant; and (ii) it will adopt such ordinances and resolutions and authorize the execution and delivery of such instruments and the taking of such action as may be necessary and advisable for the authorization, issuance and sale of said economic development bonds.

SECTION 5. All costs of the Project incurred after the passage of this Inducement Resolution, including disbursement or repayment of the Applicant monies expended by the Applicant for planning, engineering, interest paid during construction, underwriting expenses, attorney and bond counsel fees, acquisition, construction and equipping of the Project will be permitted to be included as part of the bond issue to finance the Project, and the Issuer will thereafter loan the proceeds of such financing to the Applicant for the same purposes.

Janet G. Bradbury
Councilmember

APPROVED AS TO FORM
AND LEGALITY

J. Timothy McCaul
J. Timothy McCaulay, City Attorney

Read the first time in full and on motion by Bradbury, seconded by Delano, and duly adopted, read the second time by title and referred to the Committee on Finance (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Conference Room 128, City-County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19____, at _____ o'clock _____ M., E.S.T.

DATED: 8-7-90

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Schmidt, seconded by Delano, and duly adopted, placed on its passage. PASSED ~~LOST~~ by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>7</u>			<u>2</u>
<u>BRADBURY</u>	<u>✓</u>			
<u>BURNS</u>	<u>✓</u>			
<u>EDMONDS</u>	<u>✓</u>			
<u>GIAQUINTA</u>	<u>✓</u>			
<u>HENRY</u>				<u>✓</u>
<u>LONG</u>				<u>✓</u>
<u>REDD</u>	<u>✓</u>			
<u>SCHMIDT</u>	<u>✓</u>			
<u>TALARICO</u>	<u>✓</u>			

DATED: 8-14-90

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING MAP) ORDINANCE RESOLUTION NO. Q-44-90 on the 14th day of August, 1990,

Sandra E. Kennedy ATTEST
SANDRA E. KENNEDY, CITY CLERK

SEAL
Charles S. Reed
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 16th day of August, 1990 at the hour of 11:30 o'clock A. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 20th day of August, 1990, at the hour of 9:45 o'clock A. M., E.S.T.

Paul Helmke
PAUL HELMKE, MAYOR

MEMORANDUM

TO: City-Council Members

FROM: Michael Graham, Senior Business Development Specialist

DATE: July 30, 1990

RE: An application by Xolox Corporation for approval of an Inducement Resolution.

Background:

Xolox manufactures products for disc drives and office/manufacturing automation. For the past four (4) years Xolox has been the sole supplier of voice coil motors (VCM) to Quantum Corporation, a significant manufacturer of high quality disc drives.

Xolox has developed a spindle motor for a disc drive manufactured by Quantum. The spindle motor encompasses many of the technologies in place at Xolox. These technologies include magnetics, high tolerance machining, sensor, and engineering capabilities.

Xolox has manufactured and delivered to Quantum 60 completed spindle motors. Preliminary test indicate that the Xolox motor exceeds the performance of the current supplier as well as meeting the specifications required by Quantum. Xolox expects to be qualified and have its first production order by July 30, 1990.

Review of Alternatives:

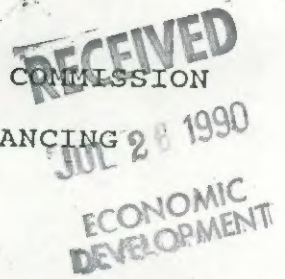
Approval of Xolox Corporation's inducement resolution will assist with the creation of 54 new jobs over the next three years.

Recommendation:

The staff recommendation is that Xolox Corporation's inducement resolution be approved to allow for the construction of a new manufacturing facility and the creation of new jobs.

jkb

APPLICATION
TO
FORT WAYNE, INDIANA, ECONOMIC DEVELOPMENT COMMISSION
FOR
ECONOMIC DEVELOPMENT REVENUE BOND FINANCING



A. GENERAL INFORMATION:

1. Applicant's Name:
Xolox Corporation
2. Address of applicant's principle office and place of business:
6932 Gettysburg Pike
Fort Wayne, IN 46804
3. Name of contact person for additional information and notices:
John J. Wernet
4. Address of contact person:
1400 One Summit Square
Fort Wayne, IN 46802
5. Phone number of contact person:
(219) 423-9411

B. PROJECT INFORMATION:

6. What is the proposed amount of the bond issue?
(include cost of project plus issuance cost of bonds)
\$ 3,200,000
7. Provide a brief description of the project:
Acquisition of manufacturing equipment and modular Class 100
cleanroom for use in the manufacture of components for
computer disc drives.

8. Itemize the use of the bonds by expenditure category.

<u>ITEM</u>	<u>EXPENDITURES</u>
<u>manufacturing equipment</u>	<u>2,800,000</u>
<u>modular cleanroom</u>	<u>300,000</u>
<u>miscellaneous and cost of issuance</u>	<u>100,000</u>
<u> </u>	<u> </u>

9. If the proceeds of the bond issue are not sufficient to complete the proposed project, itemize the additional amount of funds which will be necessary and indicate the source of such funds:

No additional funds should be necessary. If funds are
needed, they will come from internal working capital.

10. Where is the proposed project to be located? (give street address and attach a legal description for property as it appears on County Auditors Records):

1415 Dividend Road, Fort Wayne, IN, 46808

11. Are architects' renderings or blueprints available on facilities to be constructed? Yes ☐ No ☒ Not applicable

If yes, provide a copy of those renderings and blueprints to the coordinator of the Fort Wayne Economic Development Commission.

If no, describe facilities to be constructed.

None to be constructed

12. Is the project solely within the city limits of Fort Wayne? Yes ☒ No ☐

If no, give the name of the township and/or other municipality in which it is located.

13. If project is not located within the city limits of Fort Wayne, will you waive your right to remonstrate annexation? Yes ☐ No ☐ Not Applicable

14. Is the project within the Fort Wayne Community School District? Yes x No

If no, state the name of applicable school districts.

15. What is the approximate size of the tract or parcel of property on which the project is to be situated?

1.3 Acres

16. Is the proposed facility, or a portion thereof, to be leased to another entity or entities? Yes No x

If yes, name the entity or entities and indicate the portion of the project to be leased.

<u>Entity</u>	<u>% Leased</u>
_____	_____
_____	_____
_____	_____
_____	_____

C. APPLICANT INFORMATION:

17. Type of organization under which the applicant does business (e.g. corporation, partnership, sole proprietorship, joint venture).

Corporation

18. Under the laws of what state is the applicant organized?

Indiana

19. Name the business or businesses in which the applicant is engaged.

Manufacture of technology products serving the disc drive

and office/manufacturing automation market place.

20. Is the applicant qualified to do business in Indiana? Yes x No

21. How long has the applicant been in operation in Allen County? 25 years.

22. Please list the names and titles of principal operating personnel.

<u>Name</u>	<u>Title</u>
<u>Robert Loubier</u>	<u>President and C.E.O.</u>
<u>Thomas Norris</u>	<u>V.P. Finance Controller/Secy.</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

23. Please list all persons or firms having an ownership interest of 10% or more in the applicant.

<u>Name</u>	<u>Title</u>
Robert Loubier	Shareholder
Judy Loubier	Shareholder
AMAX Corporation	Shareholder

24. Are any persons both (a) shareholders or holders of any debt obligation of the applicant; and (b) officers or members of the Fort Wayne Economic Development Commission or the Common Council of the City of Fort Wayne or the Allen County Council? Yes _____ No x_____

If yes, list that person or persons.

25. Has any person listed above been convicted of a felony, or convicted of, or enjoined from, any violation of a state or federal securities law within the past ten (10) years? Yes _____ No X

If yes, list that person or persons.

D. ZONING AND INFRASTRUCTURE INFORMATION:

26. What is the nature of the business to be conducted at the project location?

Manufacture of components for the computer disc drive market

27. What is the existing zoning classification on the project site? M-2

28. What zoning classification does this project require?

M-2

29. Is the project site within the flood plain or river-greenway area? Yes No X

30. Does the proposed project need to be located within an economic development target area? Yes No X

31. Will the proposed project have ready access to City water? Yes X No

If no, state the intended source of water for this project.

32. Will the proposed project have ready access to City sewer? Yes X No

33. Are any adverse environmental impact anticipated by reason of operation of the proposed project, with particular reference to air, noise or water pollution? Yes No X

If yes, briefly describe that impact.

E. PUBLIC BENEFIT INFORMATION:

34. State the number of jobs currently employed by the applicant within Allen County.

Full Time 165 Part Time _____

35. State the number of jobs to be created by the proposed project once it is placed into operation.

Full Time 45 Part Time _____

36. State the number of jobs to be created by the proposed project with three (3) years after it is placed into operation. Full Time 54 Part Time _____

37. Briefly describe the category and nature of the new jobs to be created.

Machinists, assemblers and related supervisory and

managerial positions

38. What additional annual payroll will the new jobs generate (a) immediately after the proposed facilities are placed, and (b) within three (3) years thereafter.

(a) \$ 951,000

(b) \$ 1,200,000

39. If the proposed project would not be approved for tax-exempt financing, is there any substantial possibility that loss of existing jobs would occur within Allen County? Yes _____ No x

If yes, please list the approximate number of jobs to be lost and the approximate net annual payroll lost. Also, give reason for those jobs to be lost.

40. How will the proposed project further the economic development objectives of the City of Fort Wayne?

The project will result in an increase of 54 skilled and
technical jobs in an expanding high technology industry.

F. ADVERSE COMPETITIVE EFFECT INFORMATION:

41. Do any current or potential business competitors at present exist within the boundaries of Allen County? No

If yes, list that competitor(s) and state if the use of tax-exempt economic development revenue bonds for this project will put that competitor(s) at a competitive disadvantage.

42. Will the proposed facility have an adverse competitive effect on similar facilities already constructed and operating in Allen County? Yes _____ No X _____

If yes, state that adverse competitive effect.

43. If bond proceeds are to be utilized for construction of a new facility, why could not any existing facilities have met the needs of the applicant?

Applicant will be leasing an existing facility

G. FINANCIAL AND LEGAL INFORMATION:

44. Applicant's net worth as of the end of the calendar quarter preceding the date of application.

\$ confidential

45. Have tentative arrangements been made for the sale of bonds? Yes x No

If yes, briefly describe any such arrangements.

Summers & Company will underwrite the sale of the bonds

based on a Fort Wayne National Bank letter of credit

46. Has the proposed project been informally reviewed by bond counsel to determine whether it is in accordance with applicable state and federal law?

Yes x No

47. How much equity contribution will be made by the applicant toward this project?

\$500,000 research and development

48. Applicant's S.I.C. Code: 3070

H. APPLICANT'S CERTIFICATION:

I/We certify that all information in this application and attached exhibits are true and complete to the best of my/our knowledge and belief. Verification may be obtained from any source named herein.

Xolox Corporation

Name of Applicant

1. By: [Signature]

SEAL

Its: Attorney

2. By:

Its:

Dated this 26th day of July, 1990.

I. EXHIBITS:

- | | | |
|----------|-----|--|
| <u>✓</u> | 1.) | Copy of legal description of property |
| <u>✓</u> | 2.) | Applicant's financial statements for the past three (3) years, or a <u>firm</u> letter of commitment for the purchase of the proposed bond issue |
| <u>✓</u> | 3.) | Applicant's two (2) year income projection |
| <u>✓</u> | 4.) | Detailed breakdown of project cost |
| <u>✓</u> | 5.) | Proof of applicant's equity contribution |
| <u>✓</u> | 6.) | Copy of check paying the application fee |

This application will not be considered complete until all exhibits are attached and the application fee is paid. Once the application is determined to be complete, then this project will be placed on the agenda of the Fort Wayne Economic Development Commission.

Return application, exhibits, and application fee to:

Mr. Rod McPherson
Department of Economic Development
City-County Bldg., Room 840
One Main Street
Fort Wayne, IN 46802
(219) 427-1127

Counsel for Economic Development Commission:

Attorney David Boyer
300 Metro Building
202 West Berry Street
Fort Wayne, Indiana 46802
(219) 422-7422

CERTIFICATE OF SURVEY

OFFICE OF:

JOHN R. DONOVAN

REGISTERED PROFESSIONAL CIVIL ENGINEER No. 9173 INDIANA

REGISTERED LAND SURVEYOR No. 9921 INDIANA

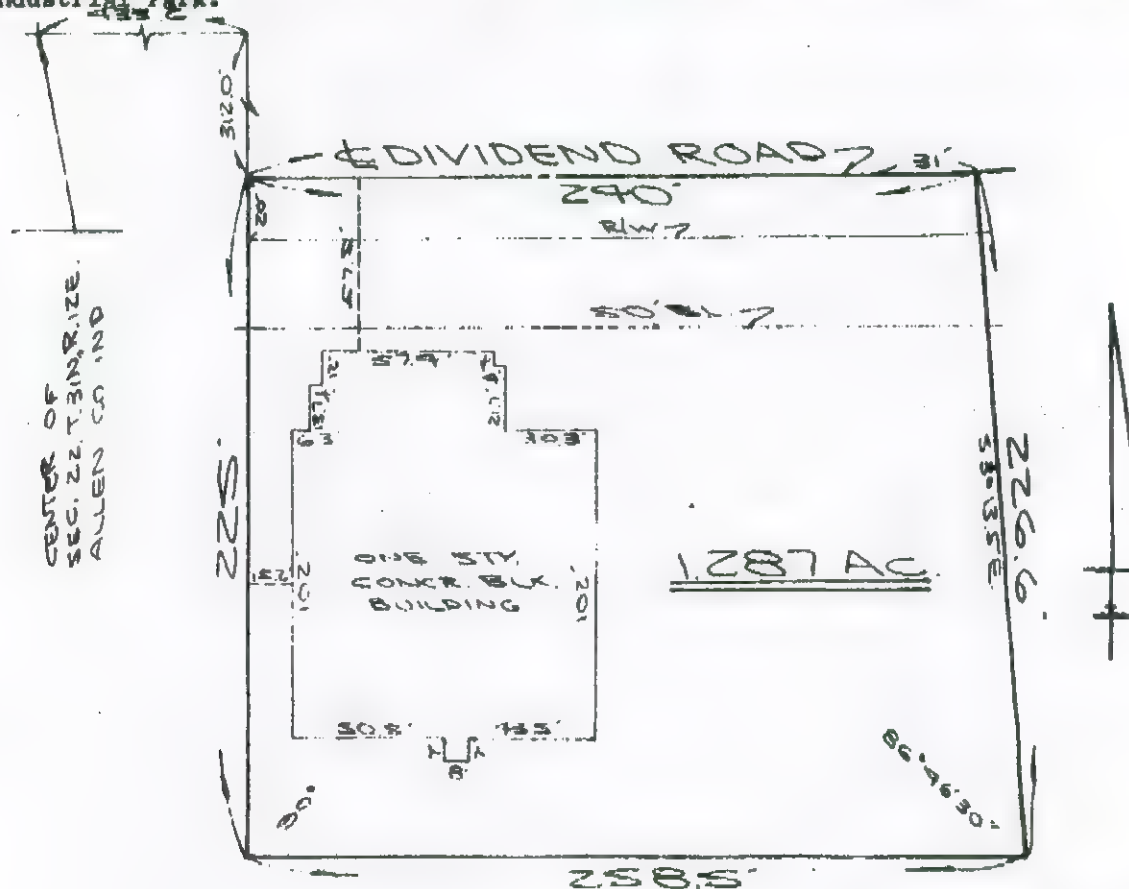
FORT WAYNE, INDIANA

The undersigned Civil Engineer and Land Surveyor hereby certifies that he has made a resurvey of the real estate shown and described below.

Measurements were made and corners perpetuated as shown hereon, in accordance with the true and established lines of the property described, and in conformity with the records in the office of the County Recorder, ALLEN County, Indiana. No encroachments existed, except as noted below.

The description of the real estate is as follows, to wit: Part of the Southeast Quarter of Section Township 31 North, Range 12 East, Washington Township, Allen County, State of Indiana, more particularly described as follows:

Beginning at an iron rod located 433.6 feet east of and 312.0 feet south of the center of Section 22, Township 31 North, Range 12 East, Washington Township, Allen County, State of Indiana; thence due east 209.0 feet to a point of curve; thence easterly on a curve to the left with a radius of 550.91 feet, a chord of which bears north 88 deg. 23 min. 18 sec. east for a length of 30.8 feet the arc distance of 31.0 feet to a point of tangency; thence south 3 deg. 13.5 min. east 226.6 feet to an iron rod; thence due west 258.5 feet to an iron rod; thence due north 225.0 feet to the point of beginning, containing 1.287 acres and being subject to all legal roadways and restrictions of Interstate Industrial Park.



Xolox Corporation
re: 1990 EDC Bond

MILLER CARSON & BOXBERGER
ATTORNEYS-AT-LAW
FORT WAYNE, INDIANA

46153

71-34/749

PAY
TO THE
ORDER OF

July 25 19 90

The City of Fort Wayne

\$ 800.00

Eight Hundred and no/100

DOLLARS



Fort Wayne, Indiana 46801-2345

MILLER CARSON & BOXBERGER

FOR

⑈046153⑈ ⑆074900343⑆ 10136 34339⑈



SUMMERS & COMPANY^{INC}

1000 COMMERCE BUILDING
FORT WAYNE, INDIANA 46802, 219/424-4481

July 25, 1990

Mr. Thomas Norris
XOLOX Corporation
6932 Gettysburg Pike
Fort Wayne, IN 46804

Dear Tom:

Summers & Company, Inc. will underwrite your upcoming \$3,200,000 Fort Wayne industrial revenue bond issue for equipment and a clean room along the lines of our letter of July 24, 1990.

We are pleased to be hired and are anxious to work with you.

Very truly yours,

SUMMERS & COMPANY, INC.

Thomas B. Summers
President

/jlb

cc: Mr. John J. Wernet
Miller, Carson & Boxberger
1400 One Summit Square
Fort Wayne, IN 46802-3173

DIGEST SHEETTITLE OF ORDINANCE INDUCEMENT RESOLUTIONDEPARTMENT REQUESTING ORDINANCE Department of Economic Development

SYNOPSIS OF ORDINANCE An application by Xolox Corporation for approval of an
Inducement Resolution. The project will consist of the aquisition of manufacturing
equipment and a modular class 100 cleanroom for use in manufacturing components for
computer disc drives.

R-50-08-020EFFECT OF PASSAGE Would allow for the creation of 54 jobs over a three year period.EFFECT OF NON-PASSAGE Opposite of above.

MONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) _____

ASSIGNED TO COMMITTEE (PRESIDENT) Tom Henry

BILL NO. R-90-08-02

REPORT OF THE COMMITTEE ON FINANCE

THOMAS C. HENRY, CHAIRMAN
DONALD J. SCHMIDT, VICE CHAIRMAN
BRADBURY, BURNS, GIAQUINTA

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN (~~ORDINANCE~~) (RESOLUTION) FINDING, DETERMINING AND
RATIFYING AN INDUCEMENT RESOLUTION OF THE FORT WAYNE ECONOMIC
DEVELOPMENT COMMISSION AUTHORIZING THE ISSUANCE AND SALE OF
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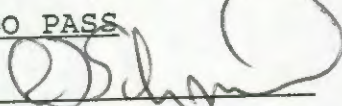
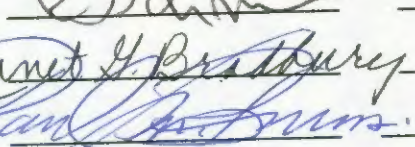

HAVE HAD SAID (~~ORDINANCE~~) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(~~ORDINANCE~~) (RESOLUTION)

DO PASS

DO NOT PASS

ABSTAIN

NO REC

DATED: 8-14-90.

Sandra E. Kennedy
City Clerk